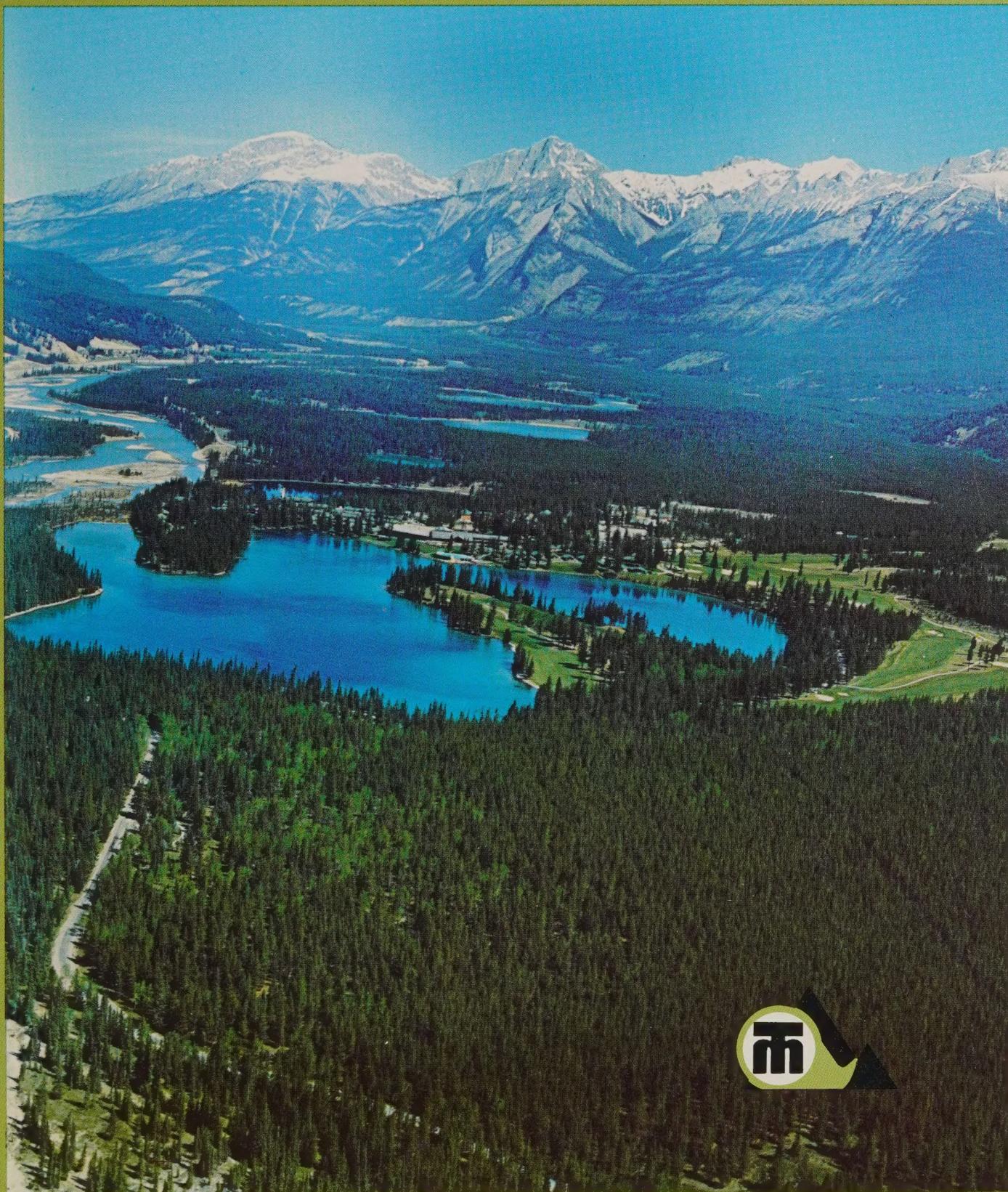
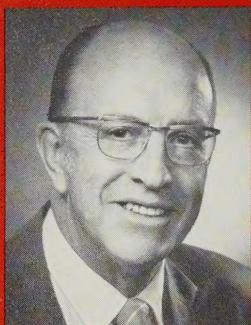


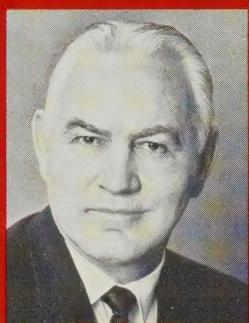
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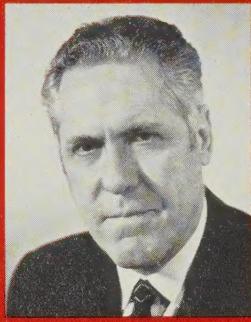
BOARD OF DIRECTORS



E. C. Hurd
Chairman



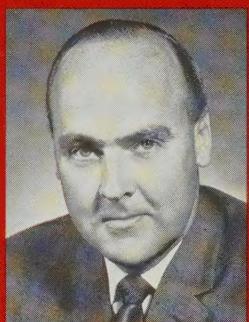
L. P. Blaser



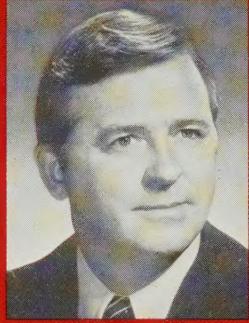
J. H. Hamlin



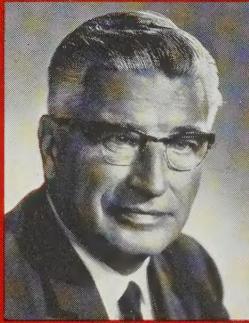
R. L. Bridges



J. W. Flanagan



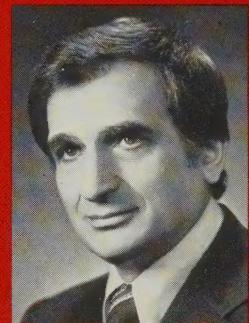
C. B. Macdonald



A. M. McGavin

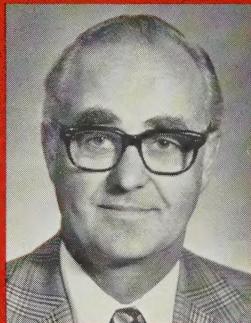


B. E. Milner

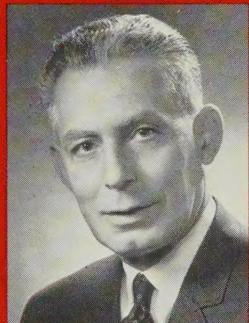


P. Gordon

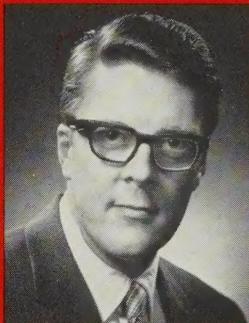
SENIOR OFFICERS



K. L. Hall
President



A. A. Goulson
Treasurer



G. A. Irving
Secretary

DIRECTORS

L. P. BLASER
Executive Vice President
Gulf Oil Canada Limited
R. L. BRIDGES
Partner
Thelen, Marrin, Johnson & Bridges

J. W. FLANAGAN
Senior Vice President and Director
Imperial Oil Limited
(Elected August 6, 1975)

* P. GORDON
Vice President, Manufacturing & Supply,
and Director
Shell Canada Limited

J. H. HAMLIN
Senior Vice President and Director
Imperial Oil Limited

E. C. HURD
Chairman of the Board
Trans Mountain Pipe Line Company Ltd.

J. G. LIVINGSTONE
Executive Vice President and Director
Imperial Oil Limited
(Retired August 6, 1975)

* C. B. MACDONALD
President and Managing Director
Standard Oil Company of British Columbia Limited
(Elected August 6, 1975)

* A. M. McGAVIN
Chairman of the Board
McGavin ToastMaster Limited

G. B. McLEAN
Formerly President and Managing Director
Standard Oil Company of British Columbia Limited
(Retired August 6, 1975)

B. E. MILNER
Vice President, Supply & Coordination
Atlantic Richfield Company

OFFICERS

E. C. HURD, Chairman of the Board
K. L. HALL, President
A. A. GOULSON, Treasurer
G. A. IRVING, Secretary
G. F. REEKS, Assistant Treasurer
F. W. ADAM, Assistant Secretary
J. G. TORRANCE, Q.C., Assistant Secretary

HEAD OFFICE

400 East Broadway, Vancouver, British Columbia,
Canada V5T 1X2

TRANSFER AGENT AND REGISTRAR

National Trust Company, Limited
Vancouver, Calgary, Edmonton, Winnipeg,
Toronto and Montreal

AUDITORS

Price Waterhouse & Co.
Vancouver, British Columbia, Canada

ANNUAL MEETING OF SHAREHOLDERS

April 21, 1976 - 10:00 A.M.
Social Suite, Vancouver Hotel,
Vancouver, British Columbia

25

TWENTY-FIFTH ANNUAL REPORT

TRANS MOUNTAIN PIPE LINE COMPANY LTD.

The Company owns and operates a pipe line system for the transportation of crude oil from a point near Edmonton, Alberta, to its tank farm and marine terminal in Burnaby, British Columbia, together with a line from Sumas, British Columbia, to the International Boundary. At the International Boundary, the Company's pipe line joins that of the wholly owned subsidiary, Trans Mountain Oil Pipe Line Corporation, which owns and operates the system in the State of Washington. The Company also operates a facility on Burrard Inlet for receiving, refrigerating and loading tankers with Canadian propane export and through its subsidiary, Trans Mountain Enterprises of British Columbia Limited, the Company also operates a pipe line for the transportation of jet fuels from refineries in the Vancouver area to the Vancouver International Airport.

REPORT TO THE SHAREHOLDERS

The average deliveries of petroleum in 1975 of 298,844 barrels daily was about 63,000 barrels, or 17.5%, lower than in 1974. This decline resulted from a daily average reduction of some 22,500 barrels in export deliveries to refineries in the State of Washington and the discontinuance of tanker shipments to Eastern Canada which accounted for a further decrease of 40,500 barrels per day.

FINANCIAL

Consolidated earnings for 1975 were \$11,339,000 or \$1.50 per share after provision for income tax of \$11,530,000 which included \$270,000 attributable to the 10% surcharge on Federal income tax for four months ending April 30, 1975. Dividends totalling \$1.25 per share were paid during the year.

Operating revenues (down 14% from 1974 as a result of decreased deliveries) and investment income (up 5%) totalled \$44,901,000. Operating costs remained at the same level of about \$22,000,000 with reductions in fuel and power costs and pumping equipment rentals, and the elimination of interest charges on debt being offset by continued rising costs of materials, outside services, wages and benefits, and a substantial increase in taxes other than income taxes.

Capital expenditures in 1975 were approximately \$1,750,000 including some continued investment necessary to meet environmental standards and the addition of jet fuel delivery facilities from a fourth Vancouver refinery. 1976 capital expenditures are expected to be slightly less than half of the 1975 total.

Interim investments slightly in excess of \$2,000,000 at year end have been made in new issues of cumulative redeemable preferred shares of some leading Canadian corporations. Dividends in the 8½% to 10¼% per annum range received by Trans Mountain from these taxable Canadian corporations are not subject to Corporation Income Tax.

GENERAL

In spite of the many uncertainties that have existed as to the allowable level of exportation of petroleum from Canada the overall result in 1975 was essentially as predicted a year ago. These uncertainties as to absolute volumes still exist but it seems clear that allowable exports will continue to diminish. On January 1st, 1976 total exports were limited to 510,000 barrels per day. It is expected that the National Energy Board will continue to allocate the distribution of these exports for the first

quarter of 1976 and that the historical portion of this, approximately 22.5%, will be allocated to the Trans Mountain system. As a result petroleum deliveries during the first quarter of 1976 are expected to be of the order of 240,000 B/D.

Newly established rules of the United States Federal Energy Administration governing the allocation of imports of Canadian oil are expected to reduce the volume of exports through the Trans Mountain system by a further 30,000 B/D in the second quarter of 1976. Beyond mid-year these volumes will depend on export limitations set by the National Energy Board in Canada and the allocation pattern established by the United States Federal Energy Administration.

In view of the decreasing availability of Canadian oil and the progress of the Alyeska pipe line system which is expected to be in operation in late 1977 making north-slope Alaskan oil available to the Pacific Northwest your company has been studying the feasibility of building a common-service tanker unloading terminal in Washington State.

In addition the refiners in the "Northern Tier" of the United States who have, for some years, been almost entirely dependent on crude oil from Canada and have no readily available alternate source of supply, have shown considerable interest in the "reversal" of the Trans Mountain system.

A direct reversal is not practical so long as Canadian oil is available for the Vancouver area refineries but a separate line for transportation west to east utilizing about one hundred miles of parallel line already in place shows some promise of economic viability. This subject is being studied in depth and the results will be available soon.

Whether these can develop into definite projects will depend on acceptability to the prospective shippers and the interested regulatory agencies in Canada and in Washington State.

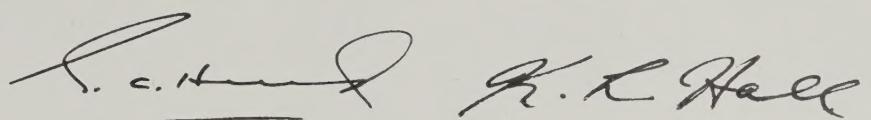
In August 1975 there were two changes in your Board of Directors. Mr. George B. McLean, a director since November, 1963, resigned and was succeeded by Mr. C. Ben Macdonald, President and Managing Director of Standard Oil Company of British Columbia Limited. Mr. James G. Livingstone, a director since November, 1969, resigned from the board and Mr. J. Warren Flanagan, a Senior Vice President and Director of Imperial Oil Limited was elected in his place. Our gratitude is extended to Messrs. McLean and Livingstone for their valued contribution as directors.

In April, 1975 Mr. A. A. Goulson, formerly Assistant Treasurer, was appointed Treasurer succeeding Mr. K. M. Leask who continued as a Vice President until his normal retirement at the year end. The Directors wish to express their appreciation of Mr. Leask's valued contribution over a period of nearly twenty-three years with the Company.

In August Mr. E. C. Hurd, formerly President, was elected Chairman of the Board and Mr. K. L. Hall, formerly Vice President-Operations, was elected President.

Once again we are happy to express our thanks to employees in all departments for their effective contribution throughout the year.

On behalf of the Board of Directors,



Chairman of the Board

President

City by the sea . . . this recent aerial photograph of downtown Vancouver was made on February 18th, 1976. It portrays the mushrooming growth of Canada's third largest city where the head office of Trans Mountain is located at 400 East Broadway.



1975 ••••• ANNIVERSARIES ••••• TRAINING COURSES••



Worthy of recognition is the company's record of employment. In 1976, the 24th year of operations, there will be 50% of the staff who have twenty or more years of service. A happy group of new "20 year olds" and their spouses gathered in Vancouver last August to celebrate their anniversaries.

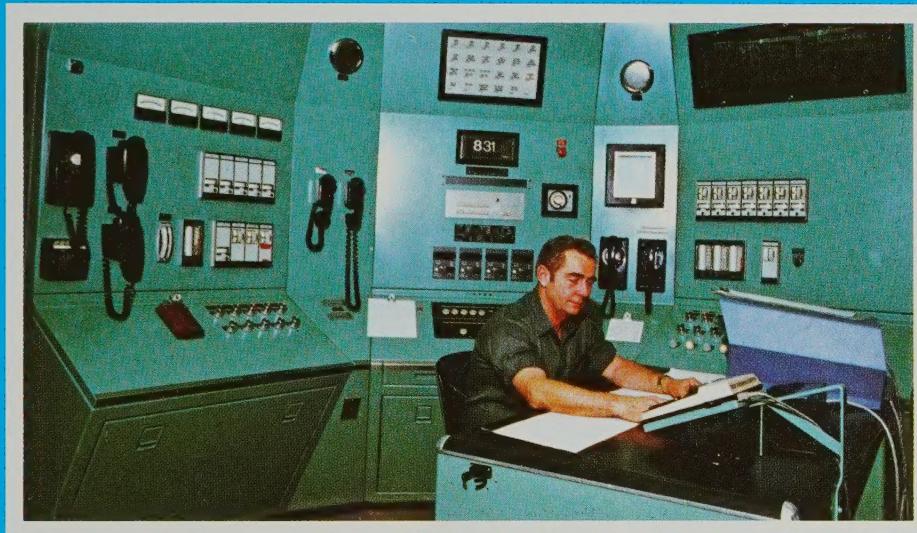
Keeping abreast of changing technologies is an on-going process in the company operation. Throughout the year training courses are held at various locations across the pipe line. Employees are also encouraged to avail themselves of opportunities to further their skills and knowledge by taking courses offered outside the company.

Safety promotion, too, is a never-ending function in the field of operations.

Sam Scott, Safety Inspector, Accident Prevention & Compensation Branch, Labour Canada, is shown presenting the company's Taylor Trophy to Eastern Division Superintendent Harry Woodman at the Edmonton Terminal. This trophy is awarded annually to the division having the best driving record throughout the year. In 1975 the Eastern Division personnel drove a combined total of 478,407 miles - without a single accident!

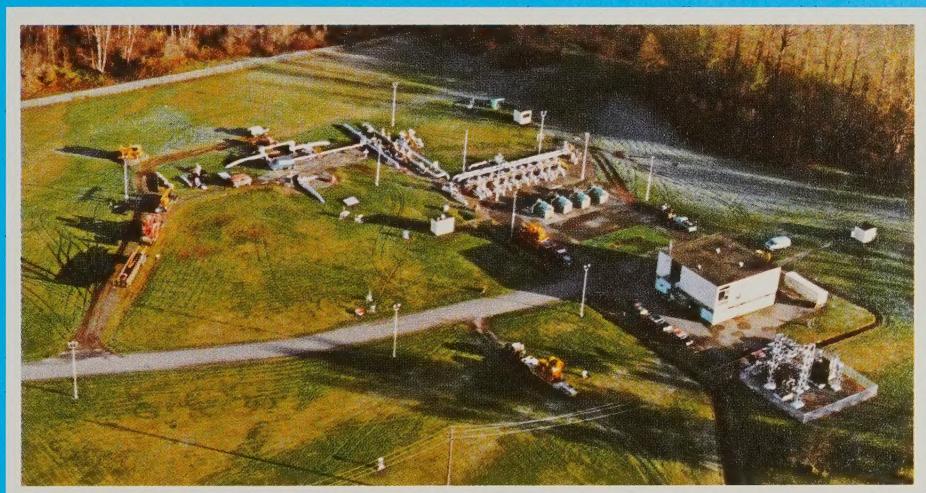


...SAFETY AWARDS OPERATIONS



Typical of technological improvements in equipment and the requirement for well trained operators is this control console at the Edmonton Terminal.

As well as having remote control of three downstream pump stations located at Stony Plain, Gainford and Niton, with this electronic wizard the operator has full control of the terminal facilities for handling incoming and outgoing streams of crude oil.



Foremost in the field of safety and maintenance during 1975 were two hydrostatic retests successfully conducted with water on over 90 miles of mainline pipe in October and November.

The Sumas Pump Station property with standby maintenance equipment on hand is pictured here during one of the retests.

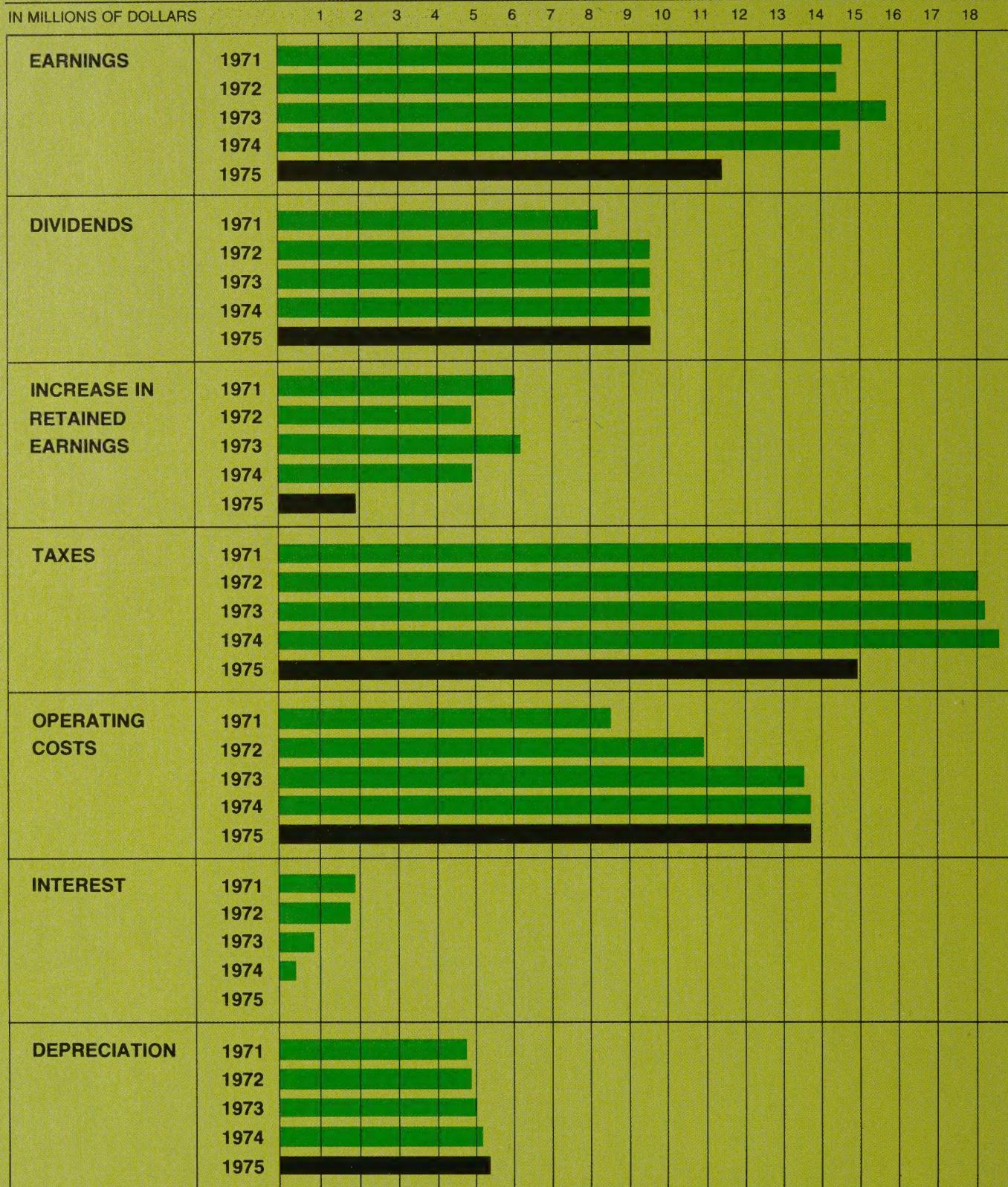


This wintertime portrait shows the new stores warehouse and equipment garage now in full operation on the Kamloops Pump Station property. The consolidation has brought about a more economical and efficient operation.

Oil movements

TOTAL DELIVERIES		1975		1974		1973					
Barrels per day (including propane and jet fuel)		314,222		376,430		395,343					
DELIVERIES BY DESTINATIONS		1975		1974		1973					
		Barrels per day	%	Barrels per day	%	Barrels per day	%				
British Columbia refineries		115,648	36.8	116,002	30.8	115,439	29.2				
Washington refineries		179,313	57.1	201,784	53.6	257,118	65.1				
Westridge tankers (propane)		7,966	2.5	8,014	2.1	8,010	2.0				
Westridge tankers (crude)		3,883	1.2	44,535	11.9	9,233	2.3				
Vancouver Airport (jet fuel)		7,412	2.4	6,095	1.6	5,543	1.4				
		314,222	100.0	376,430	100.0	395,343	100.0				
Natural gas liquids, in the form of condensate and butane, represented approximately 5.2% of the total volume transported. In 1974 these accounted for about 5.2% of the volume.											
DELIVERIES BY CALENDAR QUARTERS		Barrels Per Day									
		1975		1974		1973					
Petroleum											
First Quarter		323,564		408,946		388,626					
Second Quarter		290,812		371,858		359,472					
Third Quarter		293,051		331,242		385,855					
Fourth Quarter		288,398		338,356		393,114					
Propane											
First Quarter		6,000		7,558		9,010					
Second Quarter		8,927		9,820		5,942					
Third Quarter		5,884		8,801		8,271					
Fourth Quarter		11,020		5,885		8,816					
Jet Fuel											
First Quarter		6,852		5,457		4,903					
Second Quarter		7,844		5,643		5,727					
Third Quarter		8,362		6,991		5,948					
Fourth Quarter		6,583		6,270		5,582					
Total deliveries for the first quarter of 1976 are expected to average 258,400 barrels per day.											
SUMMARY OF OIL RECEIVED		Barrels Per Day									
		1975		1974		1973					
Petroleum											
Edmonton		261,586		305,699		313,505					
Edson		16,888		25,464		26,970					
Kamloops		21,464		32,335		40,670					
		299,938		363,498		381,145					
Propane											
Westridge		7,697		8,242		8,258					
Jet Fuel											
Vancouver refineries		7,414		6,104		5,545					
STATISTICS FOR COMPARATIVE PURPOSES		1975		1974		1973					
Barrel miles (millions)		73,116		87,540		90,829					
Average length of haul (miles)		670		662		652					

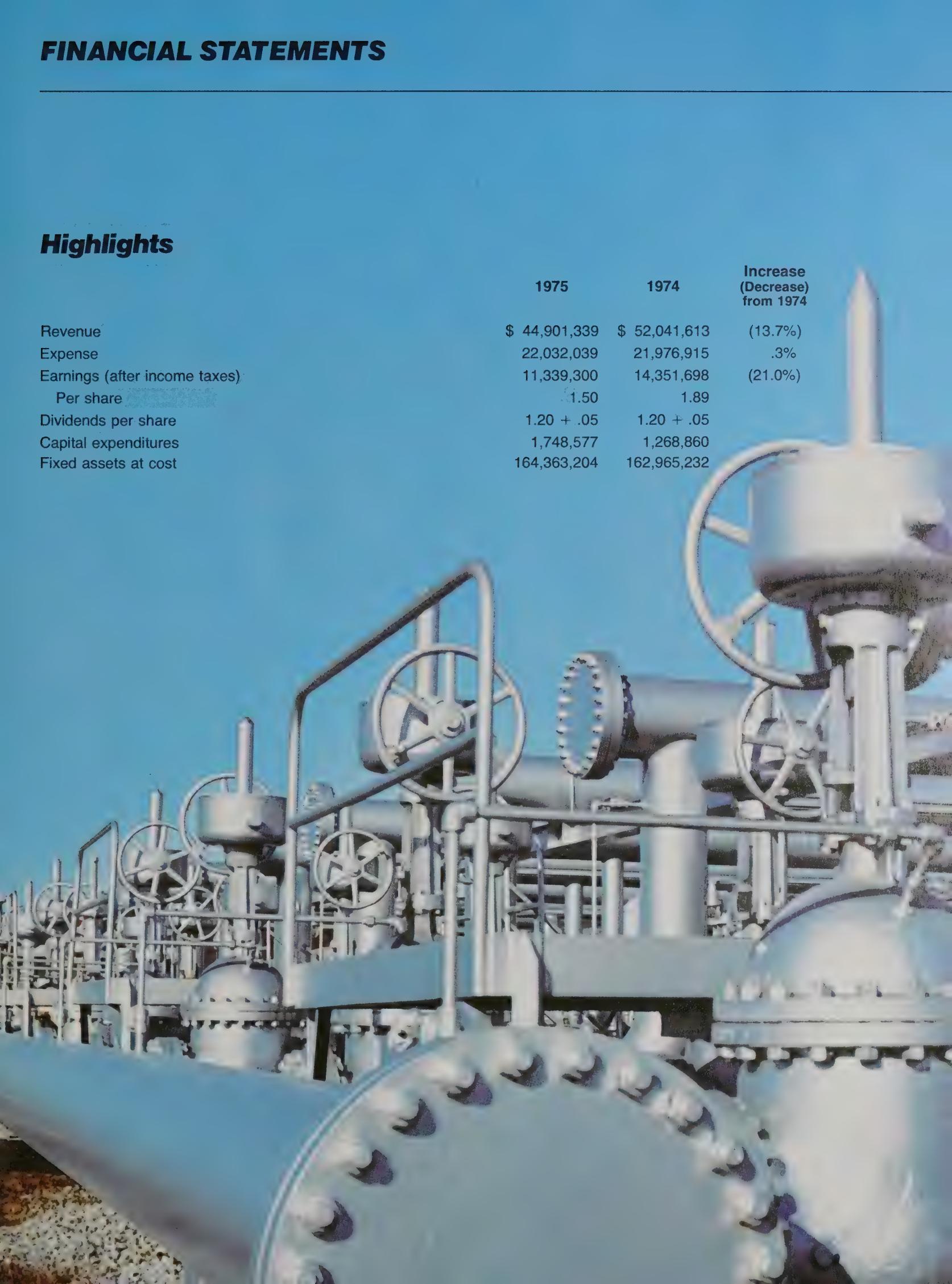
5 YEAR COMPARISON



FINANCIAL STATEMENTS

Highlights

	1975	1974	Increase (Decrease) from 1974
Revenue	\$ 44,901,339	\$ 52,041,613	(13.7%)
Expense	22,032,039	21,976,915	.3%
Earnings (after income taxes)	11,339,300	14,351,698	(21.0%)
Per share	.3150	1.89	
Dividends per share	1.20 + .05	1.20 + .05	
Capital expenditures	1,748,577	1,268,860	
Fixed assets at cost	164,363,204	162,965,232	



CONSOLIDATED BALANCE SHEET

ASSETS	December 31	
	1975	1974
Current assets:		
Cash	\$ 253,476	\$ 302,129
Short term bank deposits	1,066,760	792,880
Commercial notes, at cost	8,567,600	4,517,577
Government securities, at cost (market value — \$33,670; 1974 — \$32,884)	33,270	33,270
Accounts receivable	3,252,035	4,480,417
Income taxes recoverable	132,412	—
Inventory —		
Supplies, at or below cost	1,806,371	1,838,785
Oil, at market value	146,741	68,162
Prepaid expenses	259,871	164,347
	15,518,536	12,197,567
Other assets and deferred charges:		
Deposits, mortgages and deferred charges	1,220,882	1,249,657
Investments, at cost —		
Marketable (market value — \$2,265,000; 1974 — \$697,000)	2,193,525	693,525
Other	—	12,160
	3,414,407	1,955,342
Fixed assets (Notes 1 and 2):		
Plant, at cost	164,363,204	162,965,232
Less: Accumulated depreciation	99,820,941	94,686,499
	64,542,263	68,278,733
	\$ 83,475,206	\$ 82,431,642

TRANS MOUNTAIN PIPE LINE COMPANY LTD.

And Wholly Owned Subsidiary Companies

LIABILITIES December 31

Approved by the Board of Directors:

 Director

 R. M. S. Johnson Director

CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS

Year ended December 31

EARNINGS	1975	1974
Income:		
Operating revenue	\$43,829,965	\$51,069,635
Income from investments	846,762	803,007
Sundry income	224,612	168,971
	<u>44,901,339</u>	<u>52,041,613</u>
Charges:		
Operating expenses, other than those stated below	13,515,150	13,553,303
Taxes, other than income taxes	3,205,965	2,704,466
Provision for depreciation (Note 1)	5,423,880	5,364,542
Interest on long term debt	—	343,548
Exchange (gain) loss on consolidation of U.S. subsidiary (Note 1)	(112,956)	11,056
	<u>22,032,039</u>	<u>21,976,915</u>
Earnings before income taxes	<u>22,869,300</u>	<u>30,064,698</u>
Provision for income taxes (Note 1):		
Current	11,910,306	15,864,648
Deferred	(380,306)	(151,648)
	<u>11,530,000</u>	<u>15,713,000</u>
Earnings for the year	<u>\$11,339,300</u>	<u>\$14,351,698</u>
Earnings per share	<u>\$ 1.50</u>	<u>\$ 1.89</u>
 RETAINED EARNINGS		
Retained earnings at beginning of year	\$55,784,529	\$50,908,631
Earnings for the year	11,339,300	14,351,698
Dividends — \$1.25 per share (Note 5)	67,123,829	65,260,329
Retained earnings at end of year	<u>9,475,800</u>	<u>9,475,800</u>
	<u>\$57,648,029</u>	<u>\$55,784,529</u>

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

	1975	1974
Source of working capital:		
From operations	\$16,379,231	\$19,564,592
Sale of fixed assets	64,810	86,822
Decrease in other assets and deferred charges	<u>28,775</u>	<u>67,891</u>
	<u>16,472,816</u>	<u>19,719,305</u>
Disposition of working capital:		
Additions to fixed assets	1,748,577	1,268,860
Increase in investments	1,487,840	693,525
Reduction in long term debt	—	2,000,000
Dividends paid	<u>9,475,800</u>	<u>9,475,800</u>
	<u>12,712,217</u>	<u>13,438,185</u>
Increase in working capital	3,760,599	6,281,120
Working capital at beginning of year	<u>10,486,340</u>	<u>4,205,220</u>
Working capital at end of year	<u>\$14,246,939</u>	<u>\$10,486,340</u>

1. ACCOUNTING POLICIES:

(a) Principles of consolidation—

The consolidated financial statements include the accounts of Trans Mountain Pipe Line Company Ltd. and its subsidiaries, Trans Mountain Enterprises of British Columbia Limited, Trans Mountain Housing Limited and Alpac Construction & Surveys Limited in Canada and Trans Mountain Oil Pipe Line Corporation in the United States, all of which are wholly owned.

(b) Foreign currency translations—

The accounts of Trans Mountain Oil Pipe Line Corporation, the United States subsidiary company which owns and operates the pipe line in the State of Washington, and United States dollar balances of Trans Mountain Pipe Line Company Ltd. have been expressed in Canadian dollars on the following bases—

Current assets and liabilities, at the rate of exchange on December 31;

Fixed assets and deferred income taxes, at historical rates of exchange;

Accumulated depreciation, on the basis of the

equivalent Canadian dollar cost of the related fixed assets;

Income and expenses, except depreciation, at month-end rates of exchange.

(c) Depreciation of fixed assets—

Depreciation is provided on the straight-line method on the basis of service life according to class of asset at rates varying from 2 1/4% to 20%. The average rate on depreciable assets was 3.35% in 1975 and 3.33% in 1974.

(d) Income taxes—

The Companies record income taxes on the tax allocation basis and have claimed capital cost allowances for income tax purposes, cumulatively in excess of the depreciation recorded in the accounts, resulting in the deferment of income taxes. In 1975 depreciation provided in the accounts exceeds the allowances that may be claimed for income tax purposes resulting in a portion of income taxes previously deferred becoming payable currently. Accordingly, the current tax provision has been offset by a credit of \$380,306 with a corresponding charge to deferred income taxes.

2. FIXED ASSETS:

Fixed assets comprise —

	Cost	1975	Accumulated depreciation	Net book value	1974	Net book value
Land	\$ 670,649	\$ —	\$ 670,649	\$ 646,621		
Rights of way	728,765	409,101	319,664	301,044		
Crude oil pipe line	109,568,851	67,572,244	41,996,607	44,793,793		
Pumping and other equipment	27,020,267	19,137,043	7,883,224	8,776,212		
Buildings and tanks	23,912,616	12,248,015	11,664,601	11,986,770		
Incomplete construction	669,797	—	669,797	418,377		
Expenditures made for indefinite future expansion of the system	1,792,259	454,538	1,337,721	1,355,916		
	\$164,363,204	\$99,820,941	\$64,542,263	\$68,278,733		

3. RETIREMENT PLAN:

The Company has a retirement plan covering substantially all employees. An actuarial survey of the plan as at December 31, 1974 indicated that additional funding of \$1,545,000 was required. Based on actuarial advice \$908,000 of this obligation was provided for and funded in 1975 and the remainder will be funded and charged to operations in instalments of \$172,000 in each of 1976 to 1979 inclusive and \$52,000 in each of 1980 to 1984 inclusive.

4. INCENTIVE STOCK OPTION PLAN:

Under the terms of an employees' incentive stock option plan approved by the shareholders on April 8, 1970, and which expires February 10, 1980, options may be granted to key employees to purchase not more than 75,000 of the unissued shares of the Company at 90% of the market value on the date on which such options are granted. Options may not be exercised within the first year after they are granted. Options granted to certain key employees on April 8, 1970 to purchase 46,000 shares were exercised in

1971. Options for the remaining 29,000 shares, granted on November 7, 1973 at a price of \$13.8375 per share, being 90% of the market value on that date, were outstanding at December 31, 1975.

5. DIVIDENDS:

The Canadian Anti-Inflation Act imposes restrictions on the payment of dividends during the twelve months ending October 13, 1976. These restrictions do not have the effect of reducing permissible dividends below the 1974 rate of \$1.25 per share.

6. REMUNERATION OF DIRECTORS AND OFFICERS:

The remuneration received by directors and officers of the Company, (of which \$900 was received by directors from a subsidiary company) is as follows—

Directors Number	Amount	Officers Number	Amount	Officers who are also directors 1
11	\$26,200	5	\$296,291	

AUDITORS' REPORT

To the Shareholders of
Trans Mountain Pipe Line Company Ltd.:

We have examined the consolidated balance sheet of Trans Mountain Pipe Line Company Ltd. and wholly owned subsidiary companies as at December 31, 1975 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the Companies as at December 31, 1975 and the results of their operations and the changes in their

financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PRICE WATERHOUSE & CO.
Chartered Accountants

February 6, 1976
Vancouver, B.C.

10 YEAR SUMMARY



Across the floor of the beautiful Fraser Valley the Trans Mountain pipe line wends its way to its western terminals. Unseen and unheard, it carries a valuable cargo of energy to the thirsty markets of the Pacific Northwest.

FINANCIAL (in thousands of dollars)

Revenue	1,123,300
Expense (including depreciation)	710,000
Income taxes	100,000
Net earnings	213,300
Net earnings per share	1.00
Dividends distributed	100,000
Percentage of net earnings paid	47%
Dividends paid per share	0.47
Working capital	1,000,000
Capital additions to pipe line system	1,000,000
Investment in plant (original cost)	1,000,000
Investment in plant (less accumulated depreciation)	1,000,000
Long term debt—(after deducting payments due within one year)	1,000,000
Number of shares issued	1,000,000
Number of shareholders	1,000,000
Canadian	1,000,000
U.S.A.	1,000,000
U.K.	1,000,000
Other	1,000,000

OIL MOVEMENT STATISTICS (in thousands of barrels)

Receipts:

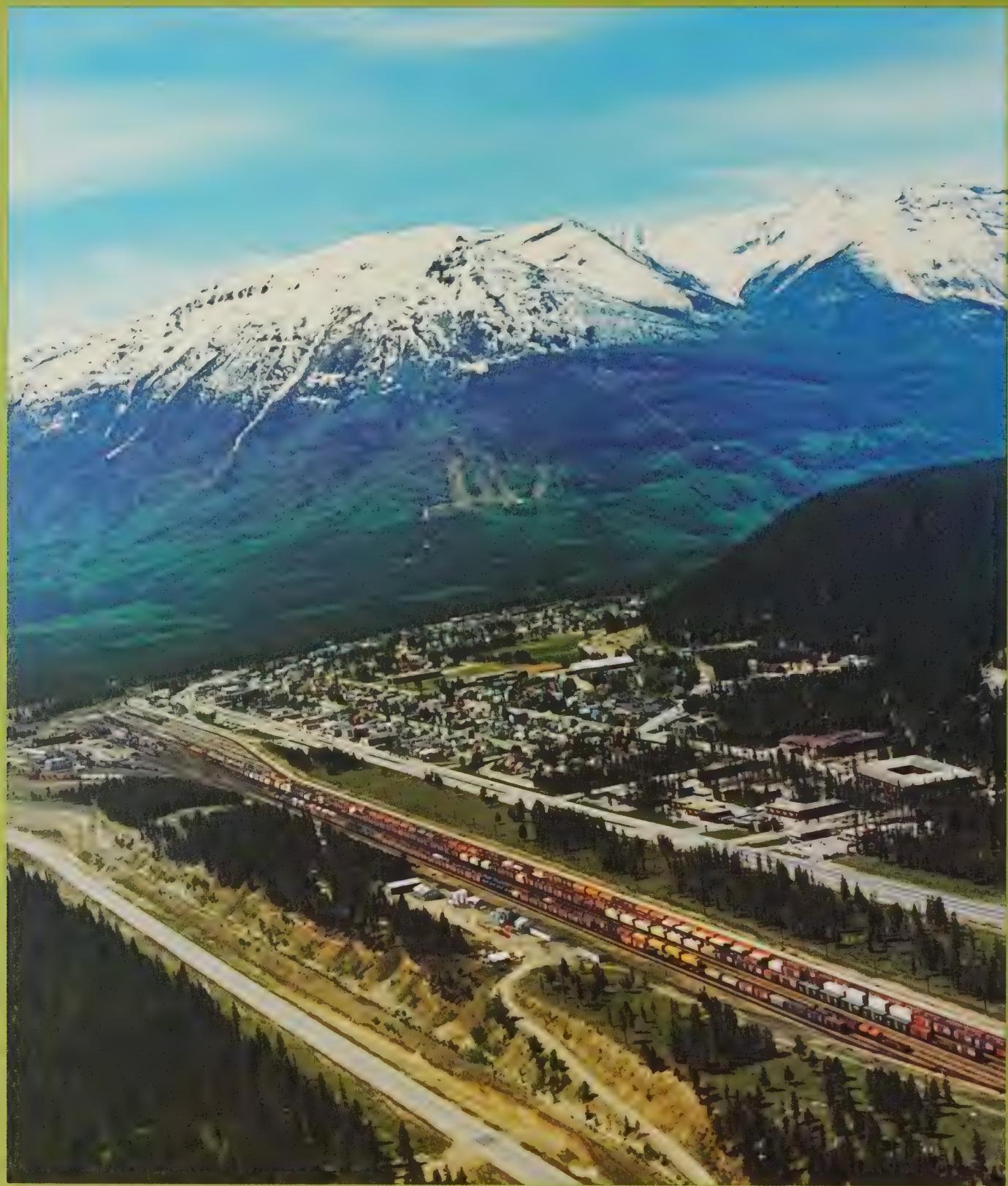
Petroleum	1,000,000
Alberta	1,000,000
British Columbia	1,000,000
Total	1,000,000
Jet Fuel	1,000,000
Propane	1,000,000
Alberta	1,000,000
British Columbia	1,000,000
Total	1,000,000

Deliveries:

Petroleum	1,000,000
British Columbia	1,000,000
Washington State	1,000,000
Tankers	1,000,000
Total	1,000,000
Jet Fuel	1,000,000
Propane	1,000,000
Tankers	1,000,000

1975									
1975	1974	1973	1972	1971	1970	1969	1968	1967	1966
\$ 44,901	52,042	53,231	52,978	45,735	45,555	41,679	36,739	40,445	35,825
\$ 22,032	21,977	21,702	19,644	17,045	15,751	15,253	14,729	14,922	14,389
\$ 11,530	15,713	15,905	15,984	14,318	15,552	13,894	11,516	12,590	10,980
\$ 11,339	14,352	15,624	14,321	14,372	14,252	11,758	10,493	12,933	10,456
\$ 1.50	1.89	2.06	1.89	1.89	1.89	1.56	1.39	1.71	1.39
\$ 9,476	9,476	9,476	9,476	8,326	8,288	8,288	8,288	9,418	8,288
84%	66%	61%	66%	58%	58%	70%	79%	73%	79%
\$ 1.25	1.25	1.25	1.25	1.10	1.10	1.10	1.10	1.25	1.10
\$ 14,247	10,486	4,205	1,424	7,268	7,508	5,208	5,587	7,687	6,783
\$ 1,749	1,269	6,151	4,025	4,422	1,644	1,274	1,696	1,409	4,189
\$164,363	162,965	162,216	156,323	152,578	148,282	146,669	150,871	149,441	148,835
\$ 64,542	68,279	72,461	71,466	72,437	72,882	76,025	83,350	86,990	90,911
\$ —	—	2,000	5,000	20,000	28,581	34,630	41,428	46,953	53,204
7,580,640	7,580,640	7,580,640	7,580,640	7,580,640	7,534,640	7,534,640	7,534,640	7,534,640	7,534,640
14,879	15,058	15,100	15,568	16,609	19,247	20,066	20,818	20,734	20,156
14,062	14,229	14,255	14,671	15,682	18,251	19,018	19,768	19,703	19,127
725	734	738	766	777	827	866	885	861	868
36	36	36	39	46	55	56	57	60	61
56	59	71	92	104	114	126	108	110	100
1975	1974	1973	1972	1971	1970	1969	1968	1967	1966
101,643	120,875	124,274	123,474	99,954	99,609	90,753	79,799	87,702	78,099
7,834	11,802	14,844	16,663	17,784	18,494	18,554	16,368	14,513	13,324
109,477	132,677	139,118	140,137	117,738	118,103	109,307	96,167	102,215	91,423
2,706	2,228	2,024	1,615	1,571	664	—	—	—	—
2,787	3,001	3,014	3,137	2,510	3,163	2,998	2,275	2,039	614
22	7	—	77	95	175	64	51	110	14
2,809	3,008	3,014	3,214	2,605	3,338	3,062	2,326	2,149	628
42,212	42,341	42,135	38,189	36,933	34,910	30,580	33,661	31,800	30,062
65,449	73,651	93,848	101,194	79,279	81,842	78,714	62,624	70,191	61,232
1,417	16,255	3,370	—	1,121	853	—	—	582	—
109,078	132,247	139,353	139,383	117,333	117,605	109,294	96,285	102,573	91,294
2,705	2,225	2,023	1,613	1,570	659	—	—	—	—
2,908	2,925	2,924	3,468	2,430	3,334	3,276	2,221	2,226	270

Some of the attractions of Alberta's Jasper National Park nestled in the heart of the Canadian Rockies are depicted by the cover pictures. On this page is Jasper town with Whistler Mountain, a skier's delight, in the background. The front cover shows the famous Jasper Park Lodge and golf course surrounding picturesque Lac Beauvert.



AR09



Tell
**Trans Mountain
Pipe Line Company Ltd.**

6

MONTH
INTERIM REPORT

FOR THE PERIOD ENDING JUNE 30, 1975



TO THE SHAREHOLDERS
TRANS MOUNTAIN PIPE LINE COMPANY LTD.

Estimated consolidated net profits for the six months ended June 30, 1975 totalled \$6,136,000 or 81 cents per share outstanding. Corresponding results for the first half of 1974 were \$8,448,000 or \$1.11 per share.

Average daily deliveries are shown hereunder:

		1975		1974	
First Half Year:	Barrels	%	Barrels	%	
Petroleum:					
U.S. refineries .	180,449	58.8	192,338	49.3	
B.C. refineries .	118,819	38.7	118,422	30.3	
Tankers for Eastern Canada .	7,830	2.5	79,539	20.4	
	<u>307,098</u>	<u>100.0</u>	<u>390,299</u>	<u>100.0</u>	
Jet Fuel	7,351		5,551		
Propane to Japan .	7,472		8,695		
	<u>321,921</u>		<u>404,545</u>		
First Quarter	336,417		421,960		
Second Quarter	307,584		387,321		
Third Quarter	—		347,034		
Fourth Quarter	—		350,511		

With no long term debt and consequently no debt payments accruing at the present time, the Company has made interim investments of just under \$2,000,000 in new issues by some leading Canadian corporations of cumulative redeemable preferred shares with dividend rates ranging from 8.5% to 10.25% per annum. Such dividends received by Trans Mountain from other taxable Canadian corporations are not subject to Corporation Income Tax.

Vancouver, B.C.
August 6, 1975

E.C. HURD
President

CONSOLIDATED FINANCIAL SUMMARY

First Half Year
1975 1974

Average daily oil
deliveries in barrels* 321,921 404,545

(in thousands of dollars)

INCOME:

Operating revenue	\$22,355	\$27,503
Income from investments	380	344
	<u>\$22,735</u>	<u>\$27,847</u>

CHARGES:

Operating expenses	\$ 6,225	\$ 6,737
Taxes other than income taxes	1,617	1,345
Interest on long term debt	—	257
Provision for depreciation	2,703	2,656
	<u>\$10,545</u>	<u>\$10,995</u>

Profit before income taxes ... \$12,190 16,852

Provision for income taxes ... 6,054 8,404

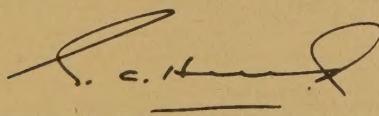
Earnings for the period \$ 6,136 \$ 8,448

Profit per share \$0.81 \$1.11

*Includes propane deliveries out of Westridge Terminal
and jet fuel to Vancouver International Airport.

The above amounts are subject to independent audit and
adjustment of certain items ordinarily calculated on an
annual basis.

APPROVED BY THE BOARD OF DIRECTORS:


_____, Director

_____, Director

CONSOLIDATED STATEMENT OF SOURCE AND DISPOSITION OF WORKING CAPITAL

for the six months ended June 30, 1975
(with comparable amounts for the half year
ended June 30, 1974)

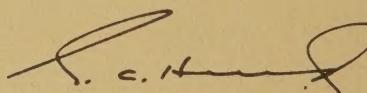
	1975	1974
SOURCE:		<i>(in thousands of dollars)</i>
Earnings for the period	\$ 6,136	\$ 8,448
Add:		
Non-cash charges to earnings		
Depreciation	2,703	2,656
	8,839	11,104
Proceeds from sale of fixed assets	22	4
Decrease in other assets and deferred charges	—	264
	<u>\$ 8,861</u>	<u>\$11,372</u>

DISPOSITION:

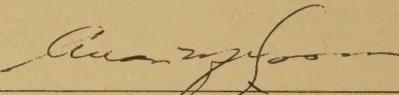
Increase in other assets and deferred charges	\$ 26	\$ —
Increase in investments	1,138	—
Additions to fixed assets	789	701
Previously deferred income taxes now current	237	110
Dividends paid	4,548	4,548
	<u>\$ 6,738</u>	<u>\$ 5,359</u>
Increase in Working Capital ..	<u>\$ 2,123</u>	<u>\$ 6,013</u>
Working Capital, at beginning of period	10,486	4,205
Working Capital, at end of period	<u>\$12,609</u>	<u>\$10,218</u>

*The above amounts are subject to independent audit and
adjustment of certain items ordinarily calculated on an
annual basis.*

APPROVED BY THE BOARD OF DIRECTORS:



_____, Director



_____, Director